

**MINUTES**  
**HOUSE STUDY COMMITTEE ON EDUCATION INNOVATION**  
April 23, 2014

The House Committee on Education Innovation held its fifth meeting on April 23, 2014, at 1:00 p.m. in Room 643 of the Legislative Office Building in Raleigh, North Carolina. Co-Chairman Craig Horn presided, and the other committee members present were: Co-Chair Susan Martin and Representatives Brian Brown, Tricia Cotham, Nelson Dollar, Edward Hanes, Marvin Lucas, Dennis Riddell, and Phil Shepard along with public members Sue Burgess, Karyn Dickerson, Ann Goodnight, and Anna Spangler Nelson. The Visitor's Registration Sheet is attached as Exhibit 1. The agenda is attached as Exhibit 2.

Chairman Craig Horn called the meeting to order at 1:08 p.m. and recognized the Sergeant-at-Arms staff serving the committee: Marvin Lee, Martha Gadison, and Barry Moore.

The Chair said the first order of business was to approve the minutes from February and March. Representative Lucas moved that the minutes be approved, Representative Brown seconded, and the motion was carried unanimously.

In view of the long agenda, Chairman Horn urged the speakers to be succinct so there would be time for committee discussion following the presentations.

The Chair introduced the first speaker, Dr. Shirley Prince, Executive Director, North Carolina Principals and Assistant Principals Association, to speak on Distinguished Leadership in Practice. A copy of her PowerPoint presentation is attached as Exhibit 3.

Dr. Prince said through the generous support of the Department of Public Instruction, the State Board of Education, and a Race to the Top grant, the Association developed some innovative programs that focus on principal and assistant principal leadership.

She said the idea of improving the leadership ability of their principals and assistant principals is not new or innovative, but they have been able to create job-embedded programs that take advantage of the technology that is available to them now. They are blended programs that do not require principals to be out of their buildings unnecessarily. And, they have been able to create programs that are very application based.

Dr. Prince said it is like on-the-job training. The principals are not asked to do any work that is not the real work of principals. She said they work on initiatives to improve their schools, and everything they do is with their own schools, their own data, their own teachers, and their own students.

Dr. Prince said she would share the information about their three signature programs. She said they have two programs for principals. The first one is called Distinguished Leadership in Practice, which is a year-long program that has touched almost 800 principals since the Race to the Top grant began. It focuses on what effective principals need to do and how they need to behave for improvements in their schools to occur.

Dr. Prince said they have also been fortunate enough to recently develop a Distinguished Leadership in Practice for Digital Learning program through a partnership with the Friday Institute, and they are now half-way through the first year of that program. She said her colleague, Dr. Glenn Kleiman, who was present at the meeting, has been a phenomenal partner. She said work with the Friday Institute has allowed them to develop a program that she would put up against any digital learning leadership program in the country or maybe internationally. It is all built on the premise that our principals have to be the ones that are leading the digital transformation.

She said last, but not least, they have a year-long program called Future Ready Leadership that is for assistant principals. She said that is very popular, and they have way more assistant principals who want to participate in that program than they can accommodate.

Dr. Prince said their programs show their leaders how they can align to the standards for their performance. She said they actually use their own North Carolina practitioners. She said at NCPAPA they have only two full-time people, herself and Emily Doyle, who is the Assistant Executive Director; but they contract on a part-time basis with over 30 cutting-edge leaders from North Carolina who help to deliver this training. She said they show their participants how in an integrated way to apply standards that have been proven to bring about improvement in schools. She said everything they do is problem-based, real-world, and focused entirely on improving their schools. The training gives them a common understanding and a common language of what distinguished leaders need to know and be able to do to improve their schools, and they are being coached through a proven, continuous improvement approach to their schools. She repeated that it is a blended approach that combines face-to-face meetings with on-line activities and small-group sharing sessions.

Dr. Prince said they have been very careful to make sure that this program is replicable. The curriculum is fully developed with trainer notes, and they train their facilitators. She said it is very cost effective. They can do this training in a way they could never do had they not developed a curriculum that they could replicate over and over. She said they are constantly revising it and updating it, but it is a very sustainable program.

Dr. Prince said they hold their program in multiple locations across the state, and it is facilitated by cutting-edge practitioners, many of whom are practicing principals. She said they also have former superintendents and college professors who are working in leadership development—all of them proven facilitators right here from North Carolina—which helps them do it in a cost-effective way as well.

Dr. Prince said they have six face-to-face sessions that are one and one-half days every other month. Each of those face-to-face sessions is followed by on-line work that requires the principal to do the things that they know are proven practices that will improve the school. She said they have also developed videos to share with participants of their own North Carolina principals who have been shown to be distinguished; they share with them real world principals who can be role models for them.

Dr. Prince said some of the topics are listed in the handout, and they are not surprising. They focus on leadership; strategic leadership; human resources; how to create a collaborative culture where everyone is expected to be a leader; how to improve teaching and learning through leadership; how to get a very strong focus on students, parents, and the business community; and how to manage and lead change to drive continuous improvement.

Dr. Prince said they are evaluated very stringently; it is a third party evaluation that is housed at the Friday Institute. A team of evaluators attends the sessions, and they have a very involved series of surveys. She said their programs have been rated very highly.

Dr. Prince said she has sent to Kara McCraw (Research Division) a listing of all of their participants so that any of the members of the committee who want to connect with principals who have actually participated in the program can get information directly from them as to the value of the program.

In their Digital Learning program, Dr. Prince said the handout shows the subject matter, and so far they have covered the first three components. She said they help their principals to get a picture in their minds of what digital learning needs to look like, what real personalized learning is all about and needs to look like, and what they as leaders have to do to make it a reality in their building. She said they believe that if the principal does not have the picture in his or her head of what this new type of school needs to look like, it will not happen. She said this program is designed to get principals ready to lead this transformation to their schools.

Dr. Prince said they have in their program for assistant principals approximately 150 assistants per year, and this program gives them the skills and the knowledge that they need to be aware of. They tell them from the beginning that this program will not prepare them to be a principal; it will focus on what they need to know as a school leader. They are encouraged to take responsibility for their own professional development.

What is needed to sustain the success? Dr. Prince said these programs, in their judgment, are very cost effective. One year of Distinguished Leadership, which is 250 hours of professional development that will serve 100 to 120 principals, costs \$245,000. A year of the Digital Learning Program for 50 to 60 principals costs \$125,000; and one year of the program for 100-120 assistant principals costs \$60,000.

Dr. Prince said she would be happy to entertain any questions the committee might have.

Chairman Horn asked, to be clear, if Dr. Prince were asking the committee to support a budgetary allocation as indicated.

Dr. Prince said that was correct. She said they have enough funding for the current cohort of approximately 200 principals through funds from Race to the Top.

Chairman Horn asked where the face-to-face sessions are held.

Dr. Prince said they are held in multiple locations; one is in Wilmington, one is in Raleigh, and one is in Charlotte.

Chairman Horn asked if these sessions are held in schools or outside.

Dr. Prince said in Wilmington there is a facility called the New Hanover County Executive Development Center, and they are able to rent it very reasonably. In Raleigh, they use the Sheraton Imperial; and in Charlotte they are at the Courtyard by Marriott, which is actually closer to Concord.

Co-Chair Martin asked if this was a brand new program this year.

Dr. Prince said the Digital Learning program is brand new; the regular Distinguished Leadership in Practice course is in its fourth year.

Co-Chair Martin asked what Dr. Prince saw as the need; how many principals could benefit?

Dr. Prince said principals who are in their first three years could really benefit from the Distinguished Leadership in Practice. She said it gives them the foundation to get started on the right footing. She said 200 a year is about the maximum that they would be able to recruit, and they have been seeing about 150 principals per year participating in that program. As far as the Digital Learning program, they are still in their first year, and they have 57 principals that were accepted into that program. She said will be able to have another cohort of about that many principals starting in January.

Chairman Horn pointed out that these programs are actually inside the DPI budget.

Seeing no further questions, Chairman Horn thanked Dr. Prince and called on Daniel Vogelmann, Jennifer Lantz, and Tracy Hottovy to present for the Wilson Academy of Innovation.

First to present was Jennifer Lantz, the Economic Developer in Wilson. She said she had accompanying her Tracy Hottovy, Director of Operations for Becton, Dickinson, and Company and Vice Chair for the Wilson Industrial Management Council that represents about 30 of the larger industries in Wilson; and Daniel Vogelmann, an Assistant Superintendent for Wilson County Schools.

Ms. Lantz said they were providing three handouts: WATT Executive Summary of their program, which is attached as Exhibit 4; their PowerPoint presentation, which is attached as Exhibit 5; and a Skills Gap Analysis, attached as Exhibit 6.

Ms. Lantz said the Wilson Academy of Innovation has changed its name to the Wilson Academy of Applied Technology (WAAT) based on input from their industries who felt that applied technology better describes and reflects the skills and education they intend to deliver to the students of this school.

Ms. Lantz said we are very fortunate to live in this time of great change. When she began her career, she typed on a typewriter, and there was no such thing as a computer. In the late 1980s there were word processors, and they were the greatest things that ever happened. Ms. Lantz said she did most of her communications early in her career over a telex in the middle of the night. There was no Internet. She said the world has changed dramatically in the last 25 years, and we are at the beginning of a revolution. This change is going to continue and grow. She said nowhere is that more evident than when you look at manufacturing. She said manufacturing in this county is changing dramatically every day. Manufacturers are automating and innovating. She said there is much new equipment and many fewer steps in making a product. She said something that was made 100 years ago probably took three people to make, whereas today it would probably take one.

Ms. Lantz said what that has led to is a change in how we need to educate the workers in these facilities. She said it used to be that a good majority of the workers needed a college education, particularly for the management of a plant, the supervisory skills of the plant, and running the very technical equipment. She said that is no longer true. The economy has evolved, and manufacturing has evolved.

Ms. Lantz said you hear a lot about STEM, the latest buzz word in education. She said the STEM economy is actually two economies. It is the professional economy that ties to the universities where innovation comes from; and there is the technical STEM economy, which is what they are trying to address with their program at the Wilson Academy of Applied Technology. She said students don't need a four-year degree; they need a technical degree, maybe an associate's degree or a certificate, and they need workforce experience. She said that experience is much more technically driven today with a lot of computer applications or programmable controls.

Ms. Lantz said WAAT has come up with a program that addresses the needs of Wilson County's industries, but they have done it in such a way that it can be translated across the state. She said it is a pilot program that anyone can use and adjust to their own economy.

Ms. Lantz said their whole program came about because in the middle of the recession, when Wilson, North Carolina, had 13% unemployment and industries were screaming that they could not find workers, she had 500 jobs that could not be filled in Wilson. It was absolutely ludicrous. So they did a lot of research, surveyed their industries, and talked to them about what was lacking in skills. They came up with a Skills Gap Analysis (Exhibit 6). That led them to looking at what they could do to fix the problem—how they could correct this lack of skills.

Ms. Lantz said Wilson is no different than many other communities across North Carolina. She said they are a rural community close to a major city, and they have a lot of manufacturing. She said they have some good statistics and some bad statistics, and they have a high poverty rate of 26 % along with one of the highest average weekly wages in the state because of all their manufacturing. Ms. Lantz said Wilson faces what everybody else is going to face in the very near future. She said they have five and one-half years before they hit the Great Worker Shortage.

Ms. Lantz said in this time of recession and unemployment, no one wants to discuss the Great Worker Shortage because it is so far away. But in reality, she said we have five years before we begin to see a shortage of 5 million workers in the United States every year for the next 30 years. Ms. Lantz said we need programs in place by 2015 that will ensure that in 2020 we are beginning to graduate people who can go directly into the workforce and work in our new manufacturing environment.

Ms. Lantz relinquished the podium to Mr. Tracy Hottovy. Mr. Hottovy said he has been involved in manufacturing for over 30 years. He said for ten years he has served as a plant manager and is currently director of operations. He said he has seen a lot of changes across manufacturing over those 30 years.

Mr. Hottovy said he is the Vice Chair of the Industrial Management Council in Wilson, and it represents all of Wilson County. He said the Council is a group of individuals who meet on a monthly basis, and predominately they talk about what each of them as an industry is facing and the trends that they see coming in advance. They try to look at commonality across the region and across the industries, and they try to anticipate what is going to happen in the future and try to come up with solutions. He said they joined with Economic Development and the local school systems to talk about this.

Mr. Hottovy said he wanted to share a little bit about what is happening in manufacturing, and he said it is a trend that has been going on for 20 to 30 years. He said the terminology “advanced manufacturing” now applies to nearly every growing and expanding industry across the state and across the United States. He said it is interesting to note that in order to compete, it is advancing at a faster pace than in the past. Mr. Hottovy said advanced manufacturing is made up of industrial automation, so today industries are applying automation that is replacing the manual labor that was needed in the past. They are replacing repetitive motion and brute force with critical thinking, savvy equipment and savvy people who are employed to run the machines that do the labor that people did 30 years ago. He said it is very important to have the right skills. Secondly, he said information technology today in manufacturing and across all industries is leveraging the information technology change; so a lot of the analytical work that was done and required four-year degrees in manufacturing is shifting more towards the skilled and the semi-skilled worker to help roll this base of manufacturing across the U. S.

Mr. Hottovy said there is a very wide use in industry of HMIs—Human Machine Interfaces. He said your phone and I-pad are HMIs. In the past, these associates and employees used to get instructions from supervisors. Today they get instructions from the equipment they are running. The equipment tells them why it stopped and then they have to figure out how to get it started again. He said they utilize robotics and PLC equipment, linking together large amounts of equipment to operate as a factory. He said somebody who is not adequately trained can make a mistake and cause hundreds of thousands of dollars in damage, so they take the time to train them.

Mr. Hottovy said automation today relies on a workforce that works together as a team, so when one of those team members is missing, large parts of the factory are affected because that one individual might have unique skills that are not replicated.

Mr. Hottovy said while globalization is creating a competitive environment, it has forced industry to keep up with the times and try to stay ahead. He said competition today requires our workforce to be productive on the first day and first week that they show up at work. Industry does not have the luxury of taking a year or two years to retrain or reskill individuals as they come into a factory; they must be able to work the first day.

Mr. Hottovy said we are in a time of aging demographics in our workforce. Today's workforce got on-the-job training and learned their technical skills as industry was growing and advancing. In order to sustain this level of growth and opportunity in the future, subject matter experts need to be able to turn to a pool of individuals who are semi-skilled when coming into our industries so they can train them to be the future leaders in manufacturing.

Mr. Hottovy said these skills are probably not going to be taught at home and in service jobs, so manufacturing is looking to align with industry and educational institutions to try to come up with a different solution.

Some of the challenges are listed in the Exhibit 6 handout. Mr. Hottovy said at the Wilson Economic Development Council they often hear, "We prefer to hire someone else's employees after they have taken two years to train them." He said the traditional education system today is set up to prepare students for secondary schools for two-year or four-year degrees, and the students that came out of a traditional high school might have gone into manufacturing of the past. Today, he said, it is difficult for those students to sustain a very good job by coming through the traditional school. He said Dan Vogelmann would talk about one of the solutions that they think will solve this problem.

Mr. Vogelmann said he would jump in the PowerPoint (Exhibit 5) presentation directly to what their vision is, and that is creating a five-year early college program that students will attend both on the campus of Wilson's Beddingfield High School and on the campus of Wilson Community College. Students will leave those five years with a high school diploma and either an associate's degree of applied science or an associate's degree of science. They will earn industry-recognized certifications, have lots of hands-on learning in technical labs, and have opportunities for practicum and internship experiences. He said a unique aspect of their program is that their students are going to work in an environment that simulates a modern manufacturing plant. They are going to badge in and badge out every day, have good manufacturing practices, and experience that shop-floor environment that they are going to see in several years. Another unique aspect is that from day one the school system has created this with the partnership of the Economic Development Council and the local industry leaders.

Mr. Vogelmann said they began about 12 months ago, and every decision has been made with everybody involved. Both Wilson County Schools and the Community College System keep adjusting their plans to meet the needs of their local industries. He said they believe that the

Wilson Academy of Applied Technology can fill the gap in the pipeline, and they can prepare students for tomorrow's workforce.

The chair recognized Representative Dollar for a question.

Representative Dollar asked whether the General Assembly should be focusing on filling the upcoming nationwide gap of 5 million workers here at the local level, with respect to education policy, by re-training existing workers or training those new workers coming into the workforce.

Ms. Lance said the Baby Boomers leaving the workforce will create the 5 million worker shortage per year in the United States. She said the General Assembly is going to have to focus on training new workers who are much more technically oriented now. She said for North Carolina to be prepared in the year 2020, they must start in the next 12 months.

Both Co-Chair Horn and Co-Chair Martin thanked the presenters. Chairman Martin said she had been involved in this project all along, and it was very interesting to see what they thought might be the answer to evolve through collaboration.

Chairman Horn invited Dr. Tony Zeiss, President of Central Piedmont Community College, to come forward and present.

Dr. Zeiss thanked the committee for the opportunity to talk about a need many community colleges are facing. He said that facing transformative change in higher education is really nothing new; and as new needs come up, they endeavor to figure out solutions and how they can solve those needs.

He gave some examples of current education innovations: Student success is sweeping the country, particularly at community colleges where they want the students to be more successful, especially those who are underprepared and have low income. Dr. Zeiss commended Dr. Scott Ralls and the five community colleges that have been working on this completion by design initiative particularly to create success in developmental education. He said that performance funding is affecting all colleges and universities, and they are working on that. Online delivery of courses and technology are driving change and in some cases this is working extremely well, in others they continue to work on it. Dr. Zeiss said they need competency-based education where students can have a self-paced education where they can start every Monday instead of waiting for the next semester and move at their own pace. He said we are in the middle of a lot of changes and innovations.

Dr. Zeiss addressed another innovation that started around 1989 and is beginning to sweep across the country as a solution to a real need that they are facing. He said employers are now telling them in certain areas that two-year degrees are no longer enough. In nursing for instance, hospitals are demanding baccalaureate degrees. In other fields, too, such as police academies and firefighter academies, bachelor degrees are becoming required to become a captain. Some states have reacted to this by allowing community colleges to offer two years of



fire academy then another two years in management and supervision, and students then end up with the credentials to get a job.

Dr. Zeiss said that 22 states currently offer baccalaureate degrees at community colleges. All do it in different ways. Some offer applied degrees in various areas. Dr. Zeiss asked what baccalaureate degrees could do for North Carolina and then made suggestions. He said the degrees would improve the affordability for lower income students in rural areas where a lot of community college students are located. He said that some states say the community colleges can offer a baccalaureate for technical degrees or where universities don't offer those degrees. He said accessibility was very important. Dr. Zeiss said the average age of the community college student is 30, and they tend to be mothers and fathers who are working. Therefore, making these degrees more accessible helps to meet employers' needs as well, thus helping to solve the skills gap. He said it also enhances economic development. Dr. Zeiss said students would save at least \$3,000 in tuition plus what they would pay for room and board, and North Carolina would save \$20,000 per student.

Dr. Stephen Scott, President of Wake Technical Community College, was recognized, and he came forward to present. Dr. Scott said the need for nurses could create a shortage that could be as high as 1.2 million nationally by 2020. He said 24,000-36,000 nurses will be needed in North Carolina in the next five and one-half years and there will be a need for baccalaureate degrees, especially for nursing degrees. Dr. Scott said that over the past 45 years, community colleges have graduated thousands of registered nurses who have gotten good jobs in our communities. He said we want these kinds of jobs in the state. He explained that the difference between the nurse with an associate degree and one with a bachelor's degree is that the associate degree nurse is a clinician, whereas the one with a bachelor's degree has those skills but can also go into higher management. He said that in Wake County, hospitals are saying that because of a new credential called magnet status, they want all nurses to have a bachelor's degree by a certain time in the future. Dr. Scott also said that associate degree nurses will be given second consideration in hiring. He referenced the handout in Exhibit 7 and said this does not apply in all 100 counties, but it is a growing trend. He said that other nurses take the same licensure test, and Wake Tech nurses have fared very well over the past 45 years.

Dr. Kandi Deitemeyer, President of the College of the Albemarle, was recognized and came forward to present. She addressed nursing in rural northeastern North Carolina. She said the College of the Albemarle covers a very rural area and seven counties. They have a lot of small medical practices, and a lot of nurses have to travel to Virginia because of limited clinical opportunities closer by. She said that Sentara has become the provider of choice in northeastern North Carolina, and they have been able to put great nurses on the ground there. Sentara is now saying they want their nurses to have bachelor degrees. She gave an example of a graduate two years ago who came back and said her employer said she must have a bachelor's degree in two years. Dr. Deitemeyer said they want to be able to provide it.

Dr. Zeiss asked the committee to please authorize a study of the issue and determine if by offering these degrees, they would be better able to serve students and find them good jobs. He said that innovation drives controversy, but if they could get through the rhetoric, they should address what is in the best interests of the students, the employers, and North Carolina.

The Chair recognized Representative Brown, and he asked if this issue had been vetted through the Presidents' Association.

Dr. Zeiss said it had not yet, but he said they needed to take a look at it.

On follow up, Representative Brown asked if it had been vetted through the State Board.

Dr. Zeiss said it had not, but that they are just asking for study at this point, not legislation.

The Chair recognized Representative Shepard, and he said the community college in his district would want to know that all community college presidents were on board before doing anything.

The Chair recognized Representative Dollar, and he asked if they wanted to study the applied baccalaureate as it related to nursing or broader than that.

Dr. Zeiss replied that nursing was the most demanding need at the present time.

Representative Dollar said there was some concern about the articulation agreement that they worked so hard for.

Dr. Zeiss said the articulation agreement was a good example of something that did not come about with complete agreement on all sides. He said what drives them is their students, and it has worked out fine.

Representative Brown said that in a time of tightening budget constraints, he had concern about duplicating programs.

Chairman Horn asked if would take the action of the legislature to be able to offer these degrees at community colleges.

Dr. Zeiss replied that it did, and there would be no fiscal note; however, one might possibly be required in two years.

Chairman Horn said they appreciated the presentation.

Mr. Eric Guckian, Senior Advisor on Education to the Governor, came forward. He said they were excited to present a report from the North Carolina Education and Workforce Innovation Commission. Please see Exhibit 8. He said the Governor is committed to students having the job skills that are needed to compete in a global economy. He said the committee would hear one example of how this public private partnership is working, and he introduced Ms. Billie Redmond, Chair of the Education and Workforce Innovation Commission, and CEO of Trademark Properties.

Ms. Redmond thanked the committee for the opportunity to serve and to fund change and innovation in North Carolina. She said the Commission awards help students become career and college ready. She said it is important for the committee to see and hear what they are doing in early stages of this Commission and she wanted to give a review of why they are here and why the Commission was legislated. She said its purpose is to make students career and college ready so they can be competitive in today's world. She said they are providing more choices for students and parents and they want to make sure these choices are available across the state. They also want to leverage technology at public schools and have today's education aligned with today's business. Ms. Redmond said there are 11 members on the commission. Six come from the business world and five are public officials who are currently serving in the education or commerce arena.

Ms. Redmond said the legislation establishing the Commission allowed for many ways for schools to apply for the fund. Schools, as well as districts and regions, were all eligible to apply and this encouraged collaboration and innovation among them. She said she felt certain that best practice facilitation will come about as a result of this and will be utilized across the state.

Ms. Redmond said they had crafted an application, which was graded. She said the award recipient's collaboration starts with business and industry partners, as well as student and parent involvement. They partner with the community colleges and university systems and use technology as an opportunity to expand and leverage across the state. They started in October and received 31 applications. An advisory committee was established and every application was reviewed three times. A rubric for scoring was developed that was clear and sustainable. In March, they chose their grant recipients, and they have been awarded and will be executed by the end of the month. Applications that received awards were balanced across the state and balanced between rural and urban areas as well. Eleven are on the way to being funded, and resources have been put into the community. There is a grant administration program in place to make sure they are good stewards of these funds. She said the committee would have the opportunity today to hear from one of the grantees.

Mr. Guckian returned to the podium and said they were excited to introduce a great example from Yadkin Valley Regional Career Academy. He thanked Dr. Lory Morrow, Superintendent of Davidson County Schools, for her leadership and invited her to come forward.

Dr. Morrow thanked the committee for the opportunity to be there and said that at Yadkin Valley they had created a different approach that focuses on students becoming career and college ready. They are a research and design center, and they use project based learning. There is an emphasis on entrepreneurship and extreme commitment from the community. She introduced Carol Crouse, Newell Clark, James Fitzgerald, Barry Sink, Austin Martin, and Milan Phay.

The Honorable Newell Clark, Mayor of Lexington, came forward and said they are excited about the collaboration with business. He said they currently have over 60 business partners, and they encourage a spirit of entrepreneurship. Their partnership with the community

college is very important because students can participate in classes there and have resources that otherwise they would not.

Mr. James Fitzgerald, CEO of Valley Academy, came forward and said that the innovative school encourages students to assume the role of risk takers. He said the GPA and class rank game does not encourage collaboration, so they have implemented a standards based grading model that takes into account such things as time management. He said they will use funding to extend staff and to plan more rigorous programs as well as for professional development.

Mr. Barry Sink, Co-chair of the Valley Academy Board of Advisors, came forward and referenced Exhibit 10, which includes their recommendations to the committee. He said he wanted to introduce two of the reasons why they are so excited about the Academy, and he called on Austin Martin and Milan Phay, students at Valley Academy, to come forward.

Austin said that the Academy emphasized cooperation and teamwork and a business environment.

Milan said they had many field trips that took them out into the community and business world.

Austin said that business leaders come to them and give insight.

Chairman Horn said that the students were doing a great job and that it is scary to speak before a legislative committee. He commended them for coming and speaking, and he asked for closing remarks.

Mr. Guckian thanked North Carolina New Schools for their partnership.

Chairman Horn asked for questions from the committee members, and he recognized Representative Riddell for the first question.

Representative Riddell asked for a quick snapshot of two or three of the other program grantees.

Mr. Guckian said the other grantees vary in range. He said some were regions and some of them were schools, and some of them were districts. The other regions were in Buncombe County Schools and Charlotte-Mecklenburg Schools.

Ms. Redmond said things they established in the scoring rivet were the areas where they really wanted to focus because they had 31 applications, and they had some similarities and they had some things that were different. They wanted to target economic clusters because it would help them to balance the urban and rural schools. So, for example, they focused on agricultural and agri-business, architectural construction, health science, information technology, manufacturing, engineering or STEM, and transportation, distribution, and logistics. She said that was a pretty long list, but it was actually a great differentiator. She said applicants actually

got additional scoring as they hit one of those specific areas. And, back to the college ready/career ready, it gave them the opportunity to have collaborative work between business and industry in both public and higher education. She said at the end of the day, they want all children employed and employed well. She said it really did focus on the economic development aspect long term.

The Chair recognized Representative Dollar, and he asked Chairman Horn if Valley Academy was assisted in part with a provision in the budget that former Representative Dockham had championed. The answer was yes.

Representative Dollar said he just wanted to remind House members that this is an example of where wise investments are paying great dividends.

Chairman Horn said this was all part of appropriations made last year that are undoubtedly paying off well.

Ms. Redmond said as a part of their scoring questions, they also wanted to look at new programs or existing programs that could be expanded with an eye toward leveraging the dollars. They appropriated \$2 million this year, and she said they could have done twice as much. She said they got 31 good applicants and they only granted 11. She said they also looked at how they could best leverage existing dollars that were already being deployed to a particular scorer or community, and then how could they expand and leverage those further.

Seeing no further questions, Chairman Horn thanked the presenters, especially the students who stepped up to share.

Chairman Horn called the Committee's attention to Findings and Recommendations on page 17 of the draft Report of the House Study Committee on Education Innovation (2013), which is attached as Exhibit 9. He asked the Committee what they thought. Did the report capture what was talked about? Did they leave something out? Should they put something in that needed to be modified or take something out? He asked for questions, suggestions, or amendments.

The chair recognized Co-Chair Martin.

Co-Chair Martin said through the innovation grants process and through the Wilson project, which had applied for that innovation grant and was not selected, the Committee could see the importance of collaboration. She said one of the amendments being passed out dealt with supporting further study on ways to develop and support these collaborative and innovative partnerships. She said staff would be permitted to add to the proceedings the things that were heard today. Representative Martin said the second amendment deals with moving forward to allow study of the applied baccalaureate degree. (See Exhibit 9 for both amendments.)

Chairman Horn said the Committee got into some areas that were, in fact, being addressed by some other committees and organizations, but it all impacted on the innovative environment in education. Therefore, the chairs felt it would be appropriate for the Committee to

point out to the Legislature the fact that some of these things, even though addressed by other committees, they are of key importance to the innovative environment in education. He asked for further comments or questions, and recognized Representative Hanes.

Representative Hanes asked whether there would be comment time regarding the amendments.

Chairman Horn said this was the time, but before there could be any comment on any amendment, someone would have to move to have the amendment brought before the Committee for consideration.

Chairman Horn recognized Representative Dollar.

Representative Dollar moved that the amendment on workforce innovation grants be considered for favorable inclusion in the report, and the motion was seconded by Representative Riddell.

Chairman Horn asked if there was any discussion on the motion. No one wished to be recognized for discussion; therefore, the Chair asked for the ayes and noes. The motion carried unanimously, and the amendment on workforce innovation grants was approved.

Chairman Horn asked whether there were other amendments, and he recognized Mrs. Nelson.

Mrs. Nelson said she felt that in all of the presentations the Committee saw over the months, there was a strong theme of innovation being driven by our best leaders, best teachers, and best principals. She said the report, while very complete in the findings and the representation of the presentations, did omit the topic of compensation for our teachers and our leaders. She said she would like for the Committee to consider being part of the recommendations that in an effort to secure the best teachers and the best leaders, the General Assembly consider an increase in the compensation for those people.

In response, Chairman Horn pointed out on page 18, under Teaching as a Profession, in the second paragraph of the draft report, it is noted, "...the General Assembly act to remove barriers that prevent the recruitment and retention of highly qualified teachers, including low compensation, lack of quality professional development opportunities, and few options for career advancement. The Committee strongly recommends financial support by the General Assembly for the New Teacher Support Program." He pointed out that there was mention of compensation in the draft report, and he also pointed out that there was another committee charged with that mission. Chairman Horn said what their recommendations were might have fallen a bit short of what some of the Committee might have liked. He asked Mrs. Nelson if she felt the draft statement was not sufficient and whether she was asking for stronger language.

Mrs. Nelson said she would favor stronger language, but she was pleased to see that it was included in this version of the report. She said it was not there 24 hours ago.

Chairman Horn said the last version of the report went out late the night before with some changes. He asked staff to point out the changes in case some of the members missed them.

Ms. Denise Huntley Adams pointed out the changes in the latest report. The first was on page 17 under “I. Flexibility.” She said the original report had stated that there were two main concerns with the inflexible first and last days of the school calendar year. The revised draft changed that to three main concerns and added that the third concern was “Summer learning loss, particularly for at-risk students.”

Ms. Adams said the second change was that the report added draft legislation to allow calendar flexibility for specific educational programs, and that draft legislation could be found on page 27 of the report.

Ms. Adams said the third change was under topic number “III. Teaching as a Profession,” on page 18. There were technical changes to include that the new teacher support program was part of UNC, just to clarify that it was a UNC program. She said there was also the language that Chairman Horn just read about the General Assembly acting to remove barriers that prevent the recruitment and retention of highly qualified teachers, including low compensation, lack of quality professional development opportunities, and few options for career advancement.

Ms. Adams said the third change on page 18 was to make a technical change to Project L.I.F.T.’s Opportunity Culture.

Lastly, Ms. Adams said a sentence was added to the end of the first paragraph under topic “IV. Current Innovative Practices” to flesh out some of the items of flexibility that the Committee was recommending. She said the language at the very end says, “including flexibility with staffing needs, teacher compensation methods, and the school calendar.”

Chairman Horn said they were a little bit redundant on purpose in the changes that were added and sent out the night before. He said the idea of the redundancy was to emphasize the importance that the Committee found in listening to the presenters that compensation, calendar flexibility, and all these things that were heard on several occasions, create an environment that nourishes and promotes innovation. He said there just has to be more flexibility where the rubber meets the road.

Chairman Horn asked if there were further suggestions, amendments, ideas, or if someone were looking for an explanation. He said he hoped they had done a reasonably good job with the report, but he pointed out that this is an interim report. He said this Committee continues meeting again after the Short Session, and the final report will contain additional legislative recommendations going into the 2015 Long Session when they can be vetted in committee.

There being no further suggestions or motions, the chair said he would entertain a motion to approve the draft House Study Committee on Education Innovation report as amended with the caveat that staff be allowed to make technical changes and add things that may have been addressed today. Representative Riddell so moved, seconded by Representative Brown, and the motion was approved.

There being no further business, the meeting was adjourned at 2:42 p.m.

Respectfully submitted:

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Representative D. Craig Horn  
Co-Chair

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Margie Penven  
Committee Assistant

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Anne Harvey Smith  
Committee Assistant

Attachments:

- Exhibit 1: Visitor Registration Sheet
- Exhibit 2: Agenda
- Exhibit 3: PowerPoint Presentation: Distinguished Leadership in Practice
- Exhibit 4: Executive Summary: Wilson Academy of Applied Technology
- Exhibit 5: PowerPoint Presentaton: Wilson Academy of Applied Technology
- Exhibit 6: Defining the Manufacturing Skills Gap in Wilson, NC
- Exhibit 7: A Transformative Change in Higher Education
- Exhibit 8: North Carolina Education and Workforce Innovation Program
- Exhibit 9: Draft of House Study Committee on Education Innovation (2013)
- Exhibit 10: Davidson County Schools

NOTE: All attachments can be found at the Committee's website:  
<http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=243>